

STAND. COM. REP. NO. 3245

Honolulu, Hawaii

APR 03 2014

RE: S.R. No. 84
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committees on Water and Land, Energy and Environment, Commerce and Consumer Protection, and Ways and Means, to which was referred S.R. No. 84 entitled:

"SENATE RESOLUTION REQUESTING THE DIVISION OF STATE PARKS TO
CREATE A PLAN TO SURROUND EVERY STATE PARK WITH FENCING,"

beg leave to report as follows:

The purpose and intent of this measure is to request the Division of State Parks to create a plan to surround every state park with fencing.

Your Committees did not receive any testimony on this measure.

Prior to hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which requests the Public Utilities Commission to issue an order in the request for proposals docket no. 2012-0092 to ensure that the power supply improvement plan (ordered in the Hu Honua docket) and due April 21, 2014, addresses the plan to integrate fifty megawatts of geothermal-derived electricity onto the Hawaiian Electric Company grid within two years of the awarding of the request for proposals and requires that Hawaiian Electric Company retire its fossil fuel plants on Hawaii island by a date certain.

Your Committees received testimony in opposition to the proposed S.D. 1 from Hawaii Electric Light Company, Life of the Land, Puna Pono Alliance, and four individuals. Your Committees

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received comments on the proposed S.D. 1 from the Public Utilities Commission.

Your Committees find that \$4,500,000,000 was expended to import oil into Hawaii in 2013, and the economy of the State remains highly vulnerable due to the annual export of dollars to import oil. Section 269-92, Hawaii Revised Statutes, which establishes renewable portfolio standards, and subsequent Energy Policy Directives of the State of Hawaii support the development of Hawaii's indigenous geothermal resources as a key element of the State's diversified energy approach.

The Public Utilities Commission has found that ratepayers on Hawaii Island pay approximately 42 cents per kilowatt hour, nearly four times the national rate of electricity, as the result of an existing HELCO geothermal avoided cost contract, which requires that ratepayers are charged the cost of fossil fuel rather than the cost of geothermal energy, and which the Public Utilities Commission has determined is not in the public interest. The Hawaii Geothermal Working Group studied the feasibility of geothermal development on Hawai'i Island and found that geothermal energy can be developed as the cheapest and most reliable form of base load power for Hawai'i County, and recommended that the State support the development of Hawaii's vast geothermal resources as a high priority for the State's energy and economic security.

Your Committees believe that the State and County of Hawaii's priority for geothermal energy development and integration of geothermal electricity has not substantially progressed on Hawaii Island, which has resulted for many years in electricity rates that are the highest in the State by far. Your Committees believe that this is paradoxical in that Hawaii Island has abundant geothermal energy resources that is capable of supplying a significant amount of electrical energy to meet the needs of residents and businesses. Hence, this measure seeks to move Hawaii Island away from dependence on fossil fuel and toward geothermal energy and other alternative energy sources.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Changing the title to read: URGING THE PUBLIC UTILITIES COMMISSION AND THE HAWAIIAN ELECTRIC LIGHT COMPANY TO EXPEDITE THE CONCLUSION AND RESOLUTION OF REQUEST FOR PROPOSALS DOCKET NO. 2012-0092 FOR FIFTY MEGAWATTS OF

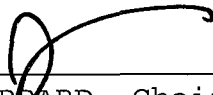


GEOHERMAL-DERIVED ELECTRICITY ON THE ISLAND OF
HAWAII;

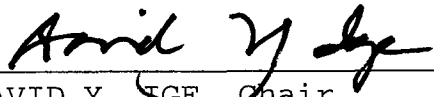
- (2) Deleting the first be it resolved paragraph;
- (3) Amending the second be it resolved paragraph to read that the Public Utilities Commission and the Hawaiian Electric Light Company are urged to expedite the conclusion and resolution of Request for Proposals Docket No. 2012-0092 for fifty megawatts of geothermal-derived electricity on the island of Hawaii;
- (4) Deleting the third be it resolved paragraph; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land, Energy and Environment, Commerce and Consumer Protection, and Ways and Means that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 84, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 84, S.D. 1.

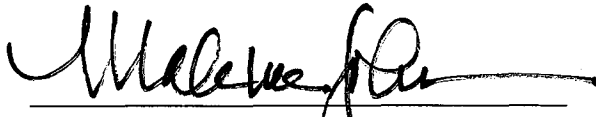
Respectfully submitted on
behalf of the members of the
Committees on Water and Land,
Energy and Environment,
Commerce and Consumer
Protection, and Ways and Means,



MIKE GABBARD, Chair



DAVID Y. IGE, Chair



MALAMA SOLOMON, Chair



ROSALYN H. BAKER, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SR84</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">WTL/ENE/CPN/WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">4/2/14</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
SOLOMON, Malama (C)	✓			
GALUTERIA, Brickwood (VC)	✓			
DELA CRUZ, Donovan M.	✓			
IHARA, Jr., Les	✓			
RUDERMAN, Russell E.	✓	✓	✓	
SHIMABUKURO, Maile S.L.				✓
TANIGUCHI, Brian	✓			✓
THIELEN, Laura H.	✓			
SLOM, Sam	✓			
TOTAL	7	0	1	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: _____ <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;"> </div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em; margin-top: 5px;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes

The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Energy and Environment
ENE

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SR84</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">WTL/ENE/CAN/WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">4/2/14</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
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Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	X			
RUDERMAN, Russell E. (VC)			X	
CHUN OAKLAND, Suzanne	X			
IHARA, Jr., Les	X			
SLOM, Sam	X			
TOTAL	4		1	
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;"> </div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

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The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SR 84</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">WTL/ENE/CPN/WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">4/2/14</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
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Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
NISHIHARA, Clarence K.	✓			
WAKAI, Glenn	✓			
SLOM, Sam	✓			
TOTAL	5	0	0	0
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-left: 20px;">R. D. Ogle</div>				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: 0.7em; margin-top: 2px;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

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The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SR 84	Committee Referral: WTL / ENB / CPN / WAM	Date: 4-2-14		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani				✓
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.			✓	
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
10	0	1	2	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: <div style="display: flex; justify-content: space-around; font-size: 0.8em;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

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